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Two Chicago-area congressmen announced bipartisan legislation that would remove the current time limit for continuing health coverage under an employer's insurance plan after an employee leaves the company.

The current time limit for such an extension of coverage is normally 18 months, and the congressmen said that limit will cause 300,000 people to lose their health insurance in 2008 alone.

U.S. Reps. Mark Kirk (R-Highland Park) and Dan Lipinski (D-Chicago) announced their proposal Thursday in a press conference at Northwestern Memorial Hospital in Chicago. They are sponsoring the Health Insurance for Life Act, which would remove time limits now prescribed by the Consolidated Omnibus Budget Reconciliation Act (COBRA), which authorizes the extension of health benefits.

"This is a critical health insurance reform legislation that's well timed for a tough economic environment for many Americans," said Congressman Kirk. He noted that currently under COBRA, coverage can be extended up to 36 months under special circumstances.

The bill proposes to extend coverage up to age 65, when citizens would be able to obtain coverage under Medicare.

Currently, the congressmen said, 30 percent of Americans choose to use COBRA to continue in their employer's health insurance plan after they have left the company.

COBRA benefits are currently available to qualified workers who are employed in companies with 20 or more people. Employees must have been enrolled in their employer's health plan and the health plan must continue to be in effect for active employees.

"Back when most health insurance basic law was written in the 1960s, it was expected that an average American would spend a 20-year career with one employer," said Kirk. "Today, we find that Americans generally have between seven to 10 jobs over the course of their lives."

According to recent statistics by the National Coalition on Health Care, 59 percent of Americans have employment-based health insurance. This can prove problematic for people switching to a new health care plan provided by another employer or purchased privately.

"Permanently extending COBRA benefits is a necessity to cover those families that can't get new insurance because of a preexisting condition, or whose next job doesn't offer health insurance," noted Kirk in a press release. "Expanded coverage also will act as a bridge for retirees who are not yet eligible for Medicare. With rising gas and food prices, we should provide more protections against rising medical bills-not less."

Lipinski commented, "This bill is not the solution to our healthcare crisis. But it could be the savior for Americans who desperately need health insurance and have no other way of getting it."

He added, "Don't just wait for a grand reform of healthcare. Don't wait for a big solution. Implement common sense legislation like this right now to help take care of perhaps hundreds to thousands of Americans."

People who choose COBRA pay 102 percent of their total former insurance premium for the first 18 months. Under the new legislation, the premium will increase to 106 percent after the initial 18 months.

With employers paying an average of 73 percent of the premium, the average active single-employee health insurance cost is \$3,695. The average COBRA insurance cost for a single employee is \$3,769.

Currently, there are drawbacks. If former employees decide to discontinue coverage provided under COBRA, they would not be able to regain coverage through the employer who offered the plan.

"The moment you drop your COBRA rights under current law, you've then made the decision to leave the insurance pool," said Kirk. "What we want to make sure is that that is always the family's decision. That you will never be dropped by actions of someone outside the family."

According to the press release, more than 2.5 million policy holders were covered by COBRA insurance in 2005, up from 1.5 million in 1997. Including dependents, COBRA benefits are expected to cover 5 million Americans.

"Next year will probably be the year for major healthcare reform, but we think that this reform can be done this year," said Kirk.